exceedingly grave and calls for immediate and drastic action." They recommended that non-essential imports should be prohibited. " Expressed in terms of tons weight of imports, a deficiency of 3^ million gross tons of shipping means a deficiency of 13 million tons weight of imports, so that . . . the weight of imports , . . must be reduced by more than 25 per cent.'[5] The shortage thus envisaged constituted a problem of urgent gravity. We shall however see in the chapter on Imports how utterly we failed to comply with the proposals sketched out by this Committee for dealing with this acute and intensifying crisis by effecting a drastic reduction in our imports.

In the ten months January-October, 1916, the total merchant shipping lost through enemy action (mainly sunk by submarines) was 1,638,460 tons, including Allied and Neutral shipping. Of British shipping alone it was 877,413 tons. And the rate of sinking had begun to mount swiftly with the irruption of the cruiser submarine. It was clear that unless something could be done, and done quickly, to effect a fundamental change in the position, we could not make such a contribution to the War as would enable the Alliance to continue with any hope of success.

Throughout 1916 Mr. Runciman talked in terms of unmitigated pessimism and placed a near limit on the possibility of our continuing the

Pessimism at struggle—owing to lack of ships. The
If Trade Board of Trade declared that: "We
have exhausted every civil economy suggested to us or thought of by our experts or by members of the Government and the Departments."
Unless, therefore, measures were taken to improve
the position by grappling effectively with the